

FISCAL NOTE

HB 2762 - SB 2794

March 11, 2004

SUMMARY OF BILL: Increases privilege taxes and licensing fees for alcoholic beverages and provides a shift of the revenues generated by current taxes and any tax increase from the general fund to the Alcoholic Beverage Commission. The bill also caps county or municipal privilege tax collections at 2003 levels. Currently, the Alcoholic Beverage Commission retains collections for special occasion and non-resident licenses. Under the provisions of this bill, they would retain winery, retail, wholesale fees as well as liquor by the drink taxes in addition to the special occasion and non-resident fees.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$826,850

Increase State Expenditures - \$110,000

Other Fiscal Impact - A shift of \$632,650 from the General Fund to the Alcoholic Beverage Commission

Estimate assumes:

- The total amount of revenue estimated to be derived from privilege tax and licensing fee increases is \$826,850.
- Of the \$826,850 increase in revenue, \$194,200 would currently be retained by the Alcoholic Beverage Commission because these funds are associated with increases in fees already retained by the commission. Therefore, the amount actually shifted from the General Fund to the commission is \$632,650.
- Increases in state expenditures are for two new employees required by the Alcoholic Beverage Commission to carry out the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director